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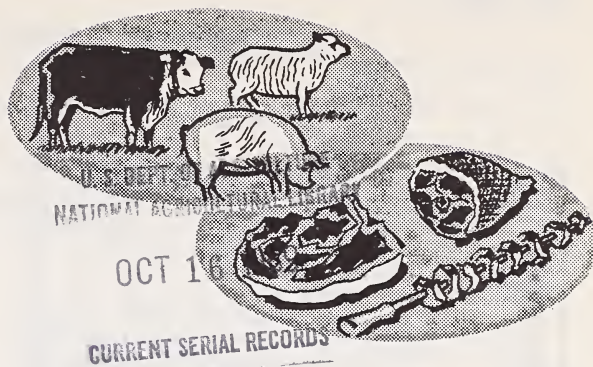
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LIVESTOCK and MEAT SITUATION



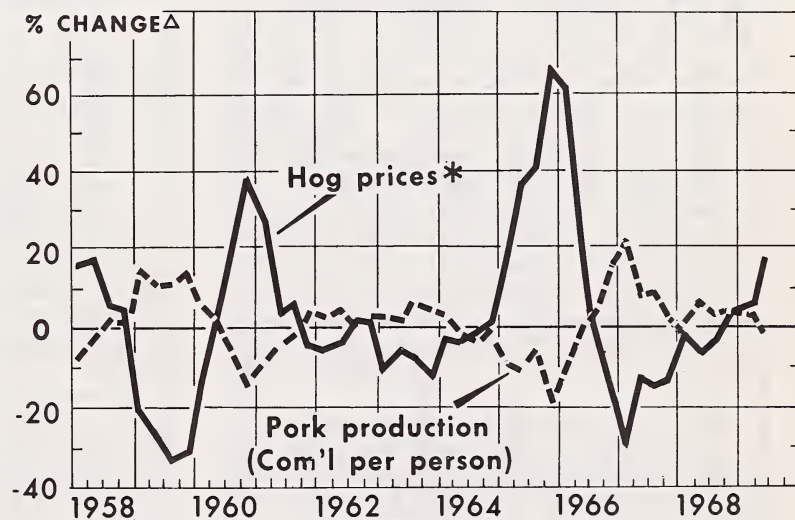
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OCTOBER 1969

Pork output per person in the first half of 1969 was slightly larger than a year earlier, but hog prices were up about 13 percent. Production during the summer was down a little from 1968 and price increases widened.

A sharp cut in output from a year earlier is expected this fall; 7 percent fewer hogs were on farms on September 1 in 10 Corn Belt States in weight groups that provide the bulk of fall slaughter. Although fall hog prices are expected to decline seasonally, they will continue well above a year earlier.

CHANGES IN HOG PRICES AND PORK PRODUCTION



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IN THIS ISSUE

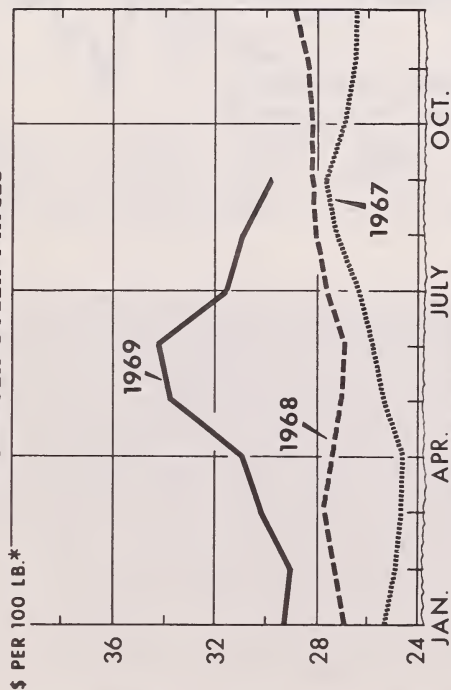
Hog Outlook

Beef Production Potential

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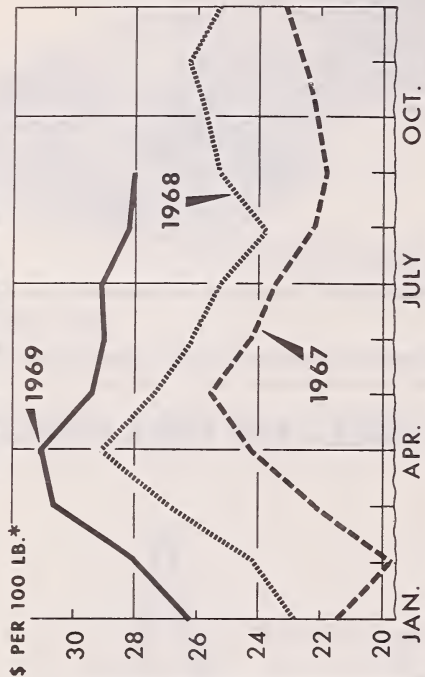
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SLAUGHTER STEER PRICES



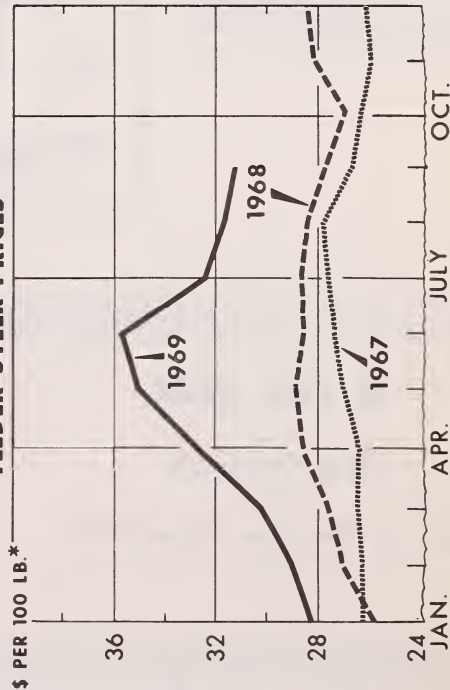
* CHOICE GRADE, SOLD OUT OF FIRST HANDS AT CHICAGO.
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SLAUGHTER LAMB PRICES



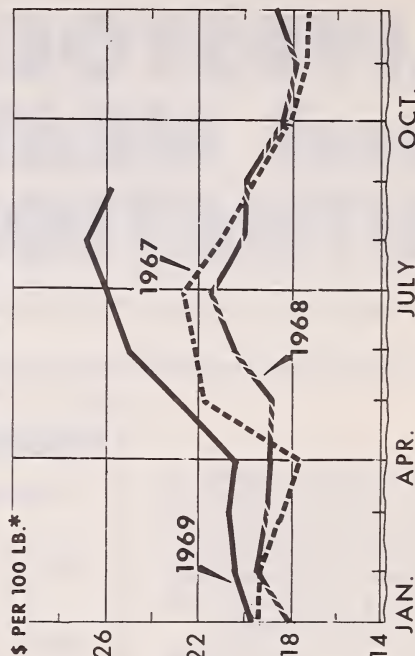
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FEEDER STEER PRICES



* CHOICE GRADE, 550-750 LB. AT KANSAS CITY.
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HOG PRICES



* BARROWS AND GILTS AT 8 MARKETS.
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LIVESTOCK AND MEAT SITUATION

Approved by the Outlook and Situation Board, October 3, 1969

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SUMMARY*

Livestock market prospects this fall include sharp reductions in hog slaughter from last fall and higher prices, larger fed cattle marketings with relatively stable prices, and a smaller supply of slaughter lambs with prices above last fall.

Hog production has slipped this year even though hog prices have been well above average and hog-feed price relationships have been near record high. Hog slaughter this fall is expected to be substantially below October-December 1968 and the seasonal increase from summer will be smaller than the usual 15 to 25 percent gain. The current rise may be about 10 percent. On September 1, Corn Belt producers reported about 7 percent fewer pigs on farms in weight groups that usually provide the bulk of fall slaughter supplies. Slaughter in the first half was up 2 percent, but in the summer was about the same as a year earlier.

A moderate seasonal decline in hog prices is expected as slaughter increases this fall, and as supplies of beef and broilers exceed year-earlier levels. But hog prices will be considerably higher than last fall. Barrows and gilts at 8 markets in October-December 1968 brought \$18.30 per 100 pounds. In the first half of 1969, they averaged \$21.60, up \$2.40 from a year earlier. Prices rose to a \$27.40 peak in mid-August. In September, prices averaged \$26, up \$6 from a year earlier.

Hog slaughter in the first half of 1970 will be slightly below year-earlier levels and prices will continue above. The number of hogs that will reach market weight next winter was down 2 percent on September 1. Also, producers in 10 Corn Belt States reported plans to have 1 percent fewer sows farrow during September-November. These hogs will be ready for market next spring. However, producers indicated they would have 2 percent more sows farrow during December 1969-February 1970 than a year ago. Thus, pork output likely will go above a year ago in the second half.

Fed cattle prices this fall are expected to continue near late-summer levels. Despite gains in beef production, total red meat supplies may be smaller than a year ago because of less pork, veal, and lamb and mutton being produced. Demand for red meats will continue strong, but broiler output is expected to be up sharply.

Fed cattle marketings this past summer continued above a year earlier and further gains are likely this fall. On July 1 the number of cattle on feed in weight groups that usually supply over half of fall marketings was up 23 percent. However, tending to limit the increase in fall

*The summary of this report was released on October 3, 1969.

marketings, placements of cattle on feed in 6 States dropped 3 percent in July and August.

Prices of fed cattle rose sharply last spring to a high of \$35.10 per 100 pounds in early June but dropped during the summer. In late September, prices were around \$29.50--\$1.35 above a year earlier (Choice steers, Chicago).

Feeder cattle prices followed the downturn for fed cattle during the summer, falling from \$36.50 at Kansas City in mid-June to \$31 in late September (Choice feeder steers, 550-750 pounds). The price

of feeder cattle will continue above a year earlier, showing a stronger tone than fed cattle prices despite seasonally large supplies.

Lamb slaughter in the summer was down sharply from a year earlier. The reduction resulted from a 6 percent smaller 1969 lamb crop and some apparent additional withholding of ewe lambs for rebuilding of breeding herds in some areas.

Lamb prices averaged \$28 per 100 pounds at San Angelo in late September, about \$2.50 higher than a year earlier. Continued price strength is likely this fall and winter.

SITUATION AND OUTLOOK

HOGS

Producers Cut Output Despite Higher Prices

Hog slaughter last fall and winter was about 4 percent larger than a year earlier, but it dropped slightly below in the spring and then continued a little reduced in the summer. Hog slaughter this fall is expected to be down sharply from a year earlier, and to continue somewhat below in the first half of 1970.

Despite above average hog-corn price ratios and adequate feed supplies, producers began to cut hog output in the late spring. Indications point to continued reductions during the fall farrowing season. Apparently adverse weather last winter and disease problems have contributed to reduced output this year, since producers' earlier plans and feed-price relationships indicated larger output.

Fall Slaughter To Be Down Sharply

Hog slaughter this fall is expected to run considerably smaller than in October-December 1968. The recent Hogs and Pigs report shows that there were 6 percent fewer market hogs on farms in the 10 Corn Belt States on September 1 than a

year ago. In 1968, about three-fourths of all hogs were produced in these 10 States. Also, there were 7 percent fewer hogs on farms weighing more than 60 pounds. Most of these hogs will reach slaughter weight before the end of the year.

Market hogs and pigs by weight groups,
September 1, 1968-69

Weight group	: 1968	: 1969	: Change : from : 1968
	: 1,000 head		Pct.
Under 60 lbs.	: 15,066	14,712	-2
60-119 lbs.	: 10,730	9,848	-8
120-179 lbs.	: 9,736	8,790	-10
180-219 lbs.	: 5,270	5,111	-3
220 lbs. & over	: 953	948	-1
Total market hogs and pigs	: 41,755	39,409	-6

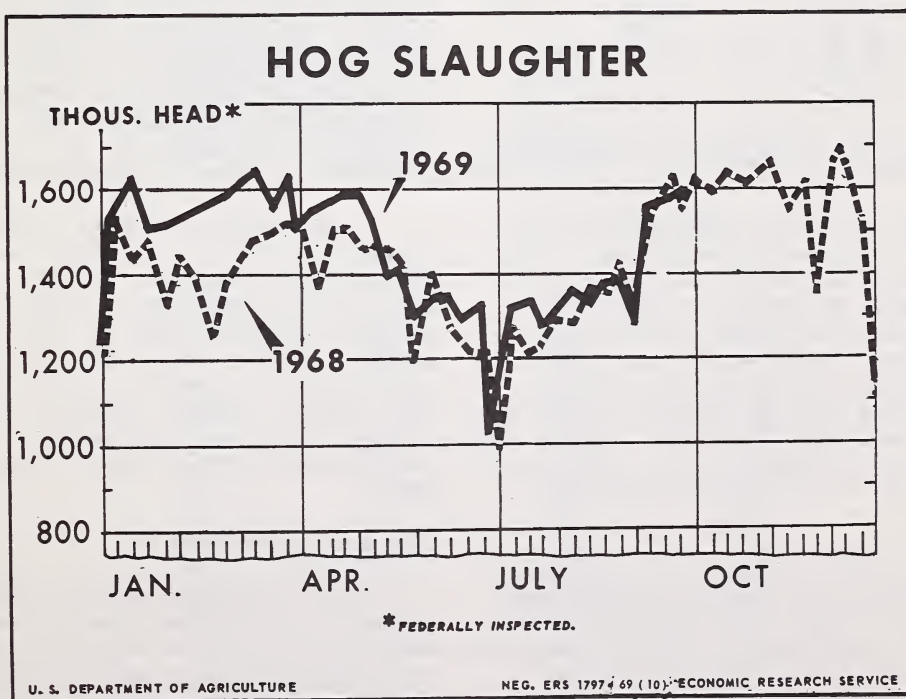
Fall hog slaughter, although considerably less than a year ago, will be up about 10 percent from this past summer. This lags the usual increase of 15 to 25 percent.

Hog prices this year have been up sharply. Barrows and gilts at 8 markets

Table 1.--Hog prices, corn prices, and hog-corn price ratio,
by months, 1967 to date

Month	Hog price			Corn price			Hog-corn price ratio ^{1/}		
	1967	1968	1969	1967	1968	1969	1967	1968	1969
	<u>Dollars per 100 pounds</u>			<u>Dollars per bushel</u>					
Jan.	19.00	17.60	18.60	1.28	1.04	1.08	14.8	16.9	17.2
Feb.	18.90	18.90	19.60	1.26	1.06	1.09	15.0	17.8	18.0
Mar.	17.90	18.60	20.00	1.28	1.06	1.09	14.0	17.5	18.3
Apr.	17.00	18.50	19.60	1.26	1.06	1.12	13.5	17.5	17.5
May	21.50	18.30	22.30	1.25	1.09	1.19	17.2	16.8	18.7
June	21.10	19.40	23.90	1.26	1.07	1.18	16.7	18.1	20.3
July	21.50	20.80	24.90	1.21	1.04	1.18	17.8	20.0	21.1
Aug.	20.40	19.20	26.00	1.11	.99	1.18	18.4	19.5	22.0
Sept.	19.10	19.50	24.80	1.12	1.01	1.15	17.1	19.3	21.6
Oct.	18.00	17.90		1.04	.96		17.3	18.6	
Nov.	17.10	17.50		.98	1.04		17.6	16.8	
Dec.	16.70	17.80		1.03	1.05		16.2	17.0	
Av.	18.90	18.60		1.17	1.04		16.3	18.0	

^{1/} Bushels of corn equivalent in value to 100 pounds of hog, live weight.



averaged \$20.30 per 100 pounds last winter, about \$1.35 higher than a year earlier. The margin over 1968 increased to \$3.45 in the spring when hog prices were \$22.90. In late August, they reached \$27.40, up more than \$7 from a year earlier and the highest summer peak since 1948. The 1968 price peak of \$22.20 came in July.

Hog prices at 8 markets, 1968-69

Month	Barrows and gilts 1/		Sows 1/	
	1968	1969	1968	1969
	<u>Dollars per 100 pounds</u>			
Jan.	18.31	19.77	14.57	15.93
Feb.	19.41	20.41	16.05	17.56
Mar.	19.07	20.69	16.46	18.28
Apr.	19.00	20.38	16.28	18.20
May	18.88	23.14	15.73	20.13
June	20.43	25.16	16.68	21.44
July	21.48	26.05	17.58	22.58
Aug.	20.08	26.91	17.14	23.99
Sept.	19.93	25.94	17.40	23.42
Oct.	18.29		16.50	
Nov.	17.92		15.25	
Dec.	18.76		14.78	
Av.	19.19		16.20	

1/ Average for all weights at Midwest Mkts.

Hog prices are expected to decline seasonally this fall although they likely will continue to run \$4 to \$6 above a year ago. Barrows and gilts averaged \$18.30 per 100 pounds during October-December 1968. Higher prices will reflect the sharp cutback in pork supplies and continued strong consumer demand for red meat. However, fall supplies of beef and broilers likely will be somewhat larger than a year ago and will tend to dampen fall price gains.

Last winter and spring, hog weights were running 1 to 2 percent lighter than a year ago. Summer hog weights, however, were about the same as a year earlier when barrows and gilts averaged 229 pounds. Lighter weights in 1969 have contributed to the price strength this year. Slaughter

weights are expected to average near year-earlier levels this fall, so pork production likely will be down about the same as slaughter.

First Half 1970 Slaughter Down A Bit

Hog slaughter in the first half of 1970 likely will continue below rates in the first half of 1969, but the margin likely will be small. Hog slaughter next winter will reflect the 2 percent fewer hogs on farms on September 1 weighing less than 60 pounds, reported for the 10 Corn Belt States. Slaughter in the spring of 1970 will reflect the number of pigs born during September-November 1969--now expected to be about 1 percent smaller than a year ago.

The fall pig crop may be off a little more than indicated by the 2 percent decline in the number of sows farrowing because only an average of 7.35 pigs was saved per litter during June-August, about 1 percent less than a year earlier. Thus, hog slaughter in January-June 1970 likely will run a little under slaughter rates in the first half of this year. However, if hog producers in States outside of the 10 Corn Belt States continue to expand output in the second half of 1969, slaughter supplies in the first half next year will be close to year-earlier levels.

Barrows and gilts at 8 markets averaged \$20.30 per 100 pounds during January-March this year and then rose to \$22.90 during April-June. With somewhat smaller supplies of pork in the first half of 1970, prices likely will run moderately above prices in the first half of this year. Also, consumer demand is expected to continue strong, but beef and broiler output likely will be larger than a year ago.

1970 Spring Pig Crop Up

Hog producers in the 10 Corn Belt States have indicated plans to have 2 percent more sows farrow during December 1969-February 1970 than in these months a year earlier. These intentions likely reflect the favorable hog-corn price ratios in

Table 2.--Farrowing intentions for early spring pigs and actual farrowings, percentage change from a year earlier, 1960 to date

Year	December-February intentions 1/	Reported farrowings					
		December-February		March-May		December-May	
		Selected States	U.S.	Selected States	U.S.	Selected States	U.S.
<u>Percent</u>							
1960	-4	-20	-18	-12	-14	-15	-15
1961	+4	+4	+1	+7	+5	+6	+3
1962	+4	+4	+2	-2	-2	0	0
1963	+4	+1	+1	+3	+2	+3	+1
1964	-1	-7	-9	-5	-6	-6	-7
1965	-13	-8	-8	-13	-12	-11	-11
1966	0	+1	+2	+6	+7	+4	+5
1967	+6	+9	+10	+2	+3	+4	+6
1968	-2	+3	+4	+1	0	+2	+2
1969	+4	+2	+2	-9	-8	-6	-4
1970	+2						

1/ Intentions for 10 States reported in September.

Table 3.--Hog-corn price ratio during fall breeding season, United States and North Central Region, arrayed according to United States ratio, and number of sows farrowing following spring, 1955-69

Year	Hog-corn price ratio September-December 1/		Number of sows farrowing following spring	Increase or decrease from preceeding spring in sows farrowing	
	United States	North Central States		Number	Percentage
			- - - - 1,000 head - - - -	Percent	
1955-69					
1965	21.5	22.0	6,201	311	5.3
1969	2/20-21				
1968	17.9	18.3	6,411	-270	-4.0
1958	17.9	18.4	7,996	715	9.8
1967	17.0	17.3	6,681	111	1.7
1960	17.0	17.7	7,018	236	3.5
1957	16.9	17.7	7,281	86	1.2
1961	16.3	16.6	6,996	-22	-0.3
1962	16.2	16.8	7,099	103	1.5
1966	15.7	16.0	6,570	369	6.0
1964	13.3	13.4	5,890	-706	-10.7
1963	13.1	13.0	6,596	-503	-7.1
1956	12.3	12.4	7,195	-460	-6.0
1959	12.2	12.4	6,782	-1,214	-15.2
1955	11.4	11.5	7,655	-692	-0.8

1/ Based on prices received by farmer.

2/ Forecast.

recent months. The U.S. hog-corn price ratio averaged 18 in 1968, compared with less than 16 in 1960-67. The hog-corn price ratio has generally been higher than a year ago throughout 1969 even though corn prices have been higher this year. In August it rose to 22--the highest ratio for this month on record. Feeding ratios likely will decline somewhat this fall, but likely will continue favorable to producers.

The hog-corn price ratio has not been a very reliable indicator of future production this year. However, factors other than hog-feed price relationships apparently have played a major part in the cutback in pig production this year. Therefore, with above average hog-corn price ratios this fall and in the first half of 1970, hog producers are expected to increase the number of sows bred in the coming months. This would boost hog slaughter in the second half of 1970 above slaughter levels this year, particularly in the fall of 1970.

Cold Storage Stocks Down

Cold storage stocks of pork on September 1 totaled 166 million pounds, down from 196 million pounds a year ago. Stocks rose to a seasonal high of 324 million pounds on May 1 this year before beginning to decline to a fall low. Thus, 158 million pounds of cold storage pork were added to summer pork production during the summer--only a little less than a year earlier.

Cold storage stocks likely will continue below year-earlier levels later this fall and winter as hog slaughter likely will be smaller than a year ago during the next few months.

CATTLE

Beef Production Unchanged This Year

Beef production during January-June about equaled year-earlier output. Increased output of fed beef and cow beef was about offset by a sharp decline in production of nonfed steer and heifer

beef. Beef imports were up 9 percent, resulting in slightly larger total supplies during this period.

Since midyear, beef output has been running slightly below a year earlier as declines in nonfed beef output have more than offset increases for fed beef and cow beef. However, beef output the rest of 1969 will likely be up. Increases in fed beef production are expected to more than offset declines in nonfed beef.

Fed Cattle Marketings Continue Large

Fed cattle marketings this past summer were larger than a year earlier but apparently by less than the 11 percent increase in anticipated marketings reported by producers on July 1. Although fed cattle marketings in 6 States were up 5 percent in July and August, commercial cattle slaughter nationally was down 3 percent. However, the gain in fed cattle marketings was more than offset by reductions in nonfed marketings.

Average live weight of Choice steers
at 7 markets

Month	1967	1968	1969
	Pounds		
Jan.	1,159	1,146	1,130
Feb.	1,156	1,144	1,120
Mar.	1,152	1,141	1,113
Apr.	1,153	1,141	1,122
May	1,155	1,149	1,121
June	1,143	1,148	1,131
July	1,133	1,126	1,114
Aug.	1,115	1,105	1,107
Sept.	1,116	1,098	1,101
Oct.	1,116	1,101	
Nov.	1,132	1,116	
Dec.	1,132	1,123	
Year	1,139	1,129	

Although average weights of steers sold at 7 markets have been running above a year earlier since mid-August, the dif-

ference is small. Also, other conditions associated with heavy cattle, such as bunched marketings and price discounts on heavy cattle, have not been apparent. In fact, small premiums were still being paid for heavier weight cattle through the summer. In late September 1,100-1,300 pounds Choice grade steers were bringing about 25-50 cents per 100 pounds more than 900-1,100 pounds steers at Chicago. This was about the same as in the spring and a year earlier. Also, reports from the field do not indicate cattle backups in major producing areas.

Feeder cattle prices at Kansas City,
1968-69

Month	Choice feeder steers 550-750 lb.		Choice feeder steer calves	
	1968	1969	1968	1969
	<u>Dollars per 100 pounds</u>			
Jan.	25.82	28.30	28.69	31.15
Feb.	26.94	29.04	29.52	32.26
Mar.	27.60	30.34	30.46	34.39
Apr.	28.64	32.64	31.04	36.74
May	28.90	35.18	32.95	38.26
June	28.69	35.74	32.54	38.62
July	28.75	32.46	32.50	35.79
Aug.	28.40	31.76	32.10	35.66
Sept.	27.74	31.29	31.42	35.91
Oct.	27.09		30.89	
Nov.	28.11		31.50	
Dec.	28.42		31.50	
Av.	27.92		31.26	

Prices At Early
1969 Level

Brisk demand and lower production in the spring sparked the sharp spring price rise for fed cattle. Weekly slaughter rates were only slightly higher in late spring than earlier in the spring, but prices dropped sharply. In the summer, fed cattle prices generally followed the downward trend that began in early June. The decline in the summer about equaled the rise in the spring--around \$5 per 100 pounds--and prices in recent weeks

have averaged near early spring levels.

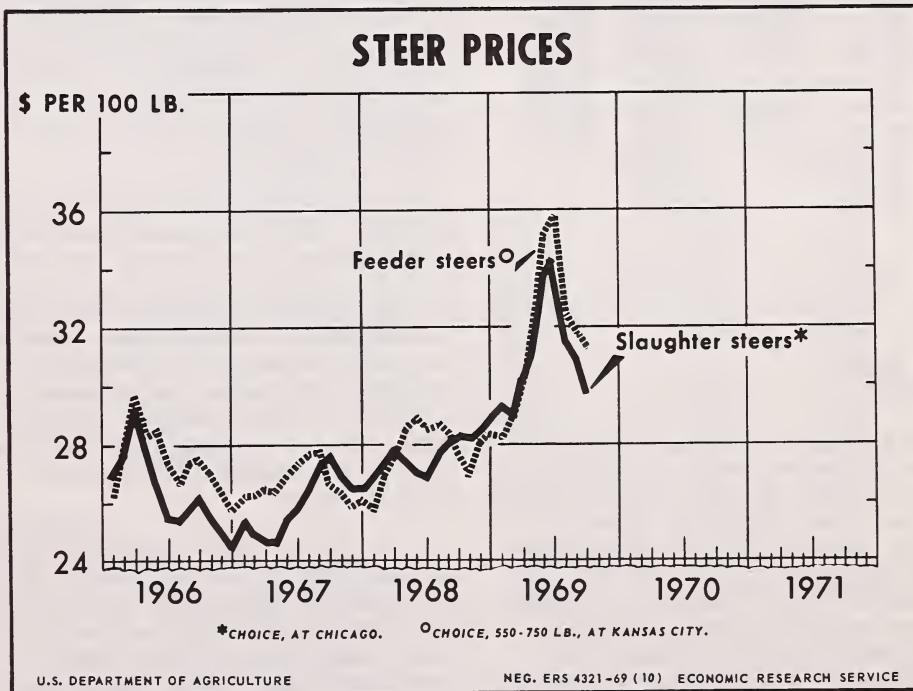
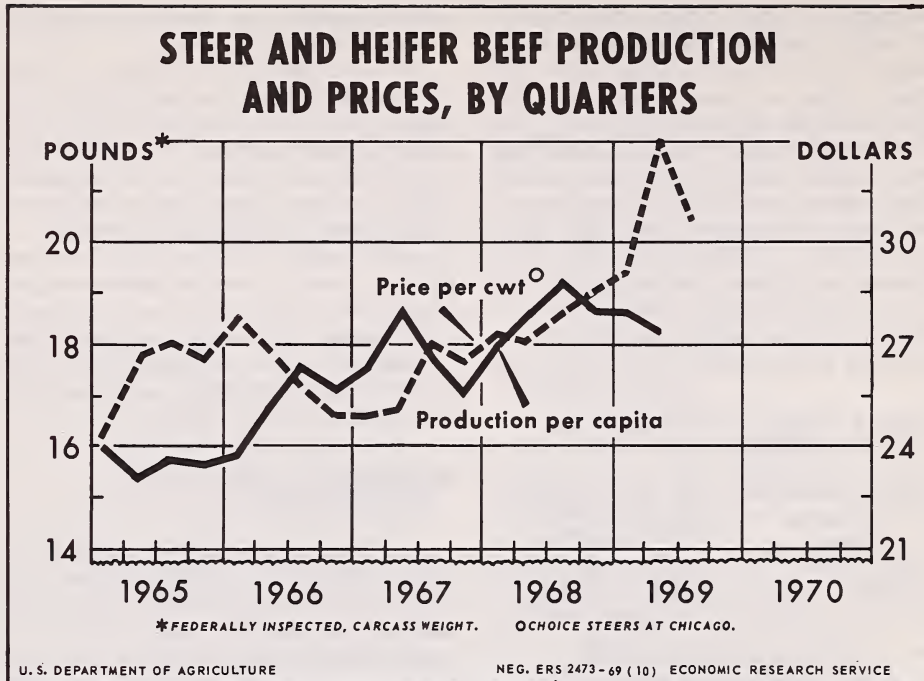
In the first quarter, Choice grade steers at Chicago averaged \$29.50 per 100 pounds and beef production was 2 percent above a year earlier. In the second quarter prices averaged \$33 with production down 1 percent from a year earlier and pork output declining seasonally. Third quarter prices dropped back to about \$30.75 when fed cattle marketings rose above April-June levels and total beef production was still about the same as a year ago. Prices in late September averaged \$29.50, or \$1.35 above the same period last year and about the same as early March.

Marketings To Rise, Prices
Hold Their Own

Fed cattle marketings this fall are expected to continue above a year earlier. On July 1 there were about 23 percent more cattle on feed in the weight groups that usually supply over half of the fed cattle marketed in the fall. But the increase in marketings will be substantially less than 23 percent since part of fall marketings are from cattle placed on feed in the summer. Placements in July and August in 6 major feeding States were down 3 percent. However, fed cattle marketings in the fall may still substantially exceed year-earlier levels by more than summer marketings.

Even though the 6 States reporting monthly, (Arizona, California, Colorado, Iowa, Nebraska, and Texas) account for more than half of all cattle on feed, they are not always an adequate barometer of the industry. Nevertheless, considering the large increase in placements last spring in 22 States, up 17 percent, and the tighter feeder supply situation this summer, total placements probably were down in the summer, as indicated by the 6-State report.

Choice grade steers at Chicago averaged \$28.20 per 100 pounds in September 1968 but rose about 70 cents by December. Prices this fall may continue near late-summer levels of near \$29.50. More beef, seasonally larger pork supplies (although the seasonal rise will be less



than usual), and significantly increased broiler output will tend to exert downward pressure on prices. On the other hand, consumer demand will continue strong, and pork output will be substantially below a year earlier. Declines in pork, veal and lamb and mutton likely will more than offset increases in beef output, and red meat production may be down from October-December 1968. Thus, fed beef prices likely will remain above the \$28.50 average of last fall. Fed cattle prices may strengthen in the late fall or winter as seasonally large supplies of meat animals begin to diminish.

Steer prices at Chicago, 1967-69

Month	Choice steers		
	1967	1968	1969
	Dollars per 100 pounds		
Jan.	25.25	26.87	29.23
Feb.	24.92	27.34	29.11
Mar.	24.67	27.75	30.19
Apr.	24.66	27.49	30.98
May	25.46	27.16	33.85
June	25.88	26.89	34.22
July	26.40	27.65	31.49
Aug.	27.22	28.01	30.94
Sept.	27.62	28.20	29.75
Oct.	26.97	28.21	
Nov.	26.51	28.46	
Dec.	26.45	28.88	
Av.	26.04	27.74	

The next quarterly cattle on feed report is scheduled for release October 17. This report will include data on the number of cattle on feed by weight groups as of October 1 and will provide an improved basis for estimating fall and winter marketings of fed cattle.

Market Weights To Rise Seasonally

Average weights of fed cattle marketed are typically the lightest in late summer and early fall and heaviest in late fall and winter. This reflects the sea-

sonal marketing period of high-quality cattle in late fall and winter as well as the tendency of feeders to move cattle at lighter weights in the hot summer months when gains are less efficient. While such seasonal changes are not substantial, they do repeat with significant regularity.

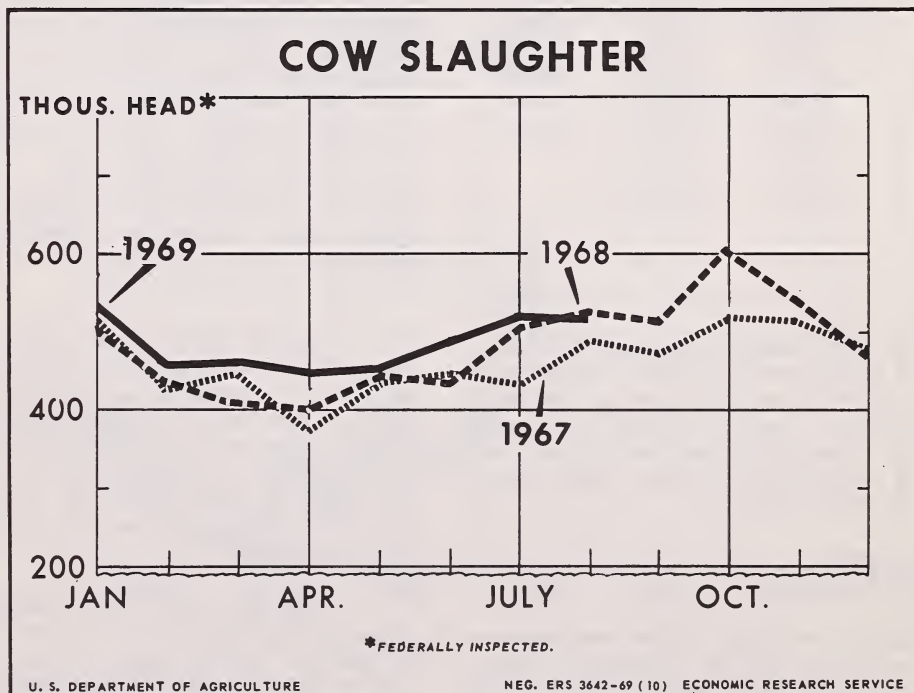
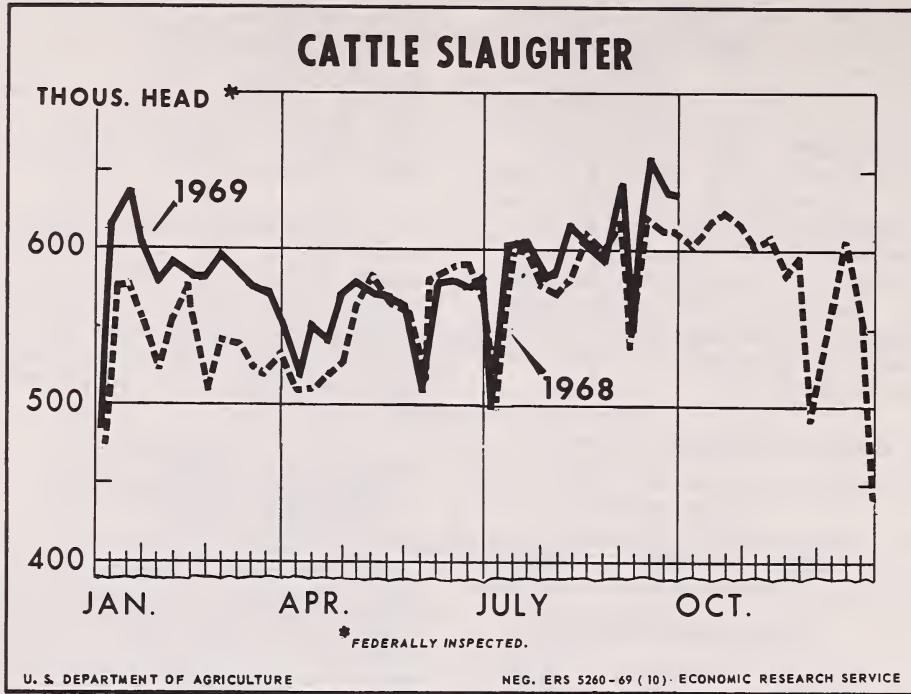
Livestock prices typically tend to weaken in the fall because output of red meats, mainly pork and cow beef, is seasonally large and fed cattle market weights and numbers marketed trend upward. Of course, any hold down in weights by producers would tend to support prices for fed cattle.

Feeder Cattle Supply Sufficient For Further Rise In Fed Beef Output

Fed cattle marketings in early 1970 will depend to a considerable extent on the number and weight of cattle that were placed on feed this summer and early fall. The available supply of feeder cattle was down from a year earlier largely as a result of the 15 percent increase in the number of cattle on feed July 1. However, with summer placements down, and the 1969 beef calf crop up 750,000 head, supplies of feeder cattle this fall and early 1970 will probably be about as large as a year earlier. Cattle feeders likely will increase placements this fall but the increase may be smaller than the 7 percent hike in placements during October-December 1968. Thus, fed cattle marketings early next year will probably show only a moderate increase over 1969.

Cattle feeders have been digging deeper into the available supply of feeder cattle. There has been a sharp decline in nonfed steer and heifer slaughter and a continued drop in calf slaughter. These animals, that formerly went to slaughter off grass or were killed as calves, are being drawn more and more to the feedlot for finishing.

The favorable price margins enjoyed by cattle feeders in the spring will be smaller in the months ahead. Feeder cattle were bought in the winter for under \$30 per 100 pounds and sold as Choice grade



finished steers in the spring for upwards of \$35. However, the situation is about reversed on feeder cattle bought in the late spring and early summer to reach slaughter finish in the fall. For example, Choice grade 550-750 pound feeder steers averaged nearly \$34.50 in May-July. In late September Choice grade slaughter steers averaged about \$29.50 and will likely be near this in the fall.

Current fed cattle prices and feeder cattle prices 5 months earlier

Year	Fed Cattle 1/	Feeder Cattle 2/	Margin
	Dollars per 100 pounds		
1968			
Jan.	26.96	27.84	-.88
Feb.	27.81	26.74	+1.07
Mar.	28.05	26.38	+1.67
Apr.	27.79	25.89	+1.90
May	27.37	26.03	+1.34
June	26.88	25.82	+1.06
July	27.61	26.94	+.67
Aug.	27.78	27.60	+.18
Sept.	27.90	28.64	-.74
Oct.	28.14	28.90	-.76
Nov.	28.57	28.69	-.12
Dec.	28.86	28.75	+.11
1969			
Jan.	29.12	28.40	+.72
Feb.	29.26	27.74	+1.52
Mar.	30.38	27.09	+3.29
Apr.	31.11	28.11	+3.00
May	33.68	28.42	+5.26
June	34.07	28.30	+5.77
July	31.54	29.04	+2.50
Aug.	30.60	30.34	+.26
Sept.	29.33	32.64	-3.31

1/ Choice steers at Chicago, 900-1,100 pounds. 2/ Choice steers at Kansas City, 550-750 pounds.

Prospects for higher (than a year ago) feed grain prices will also add to the squeeze on cattle feeders' profits. In the winter, however, these negative margins are expected to narrow as fed cattle prices likely will be higher than in the fall and slaughter cattle sold at that time will be largely those purchased on the lower fall market.

The steer-corn price ratio last year, at 24.9, was the highest on record. Through the first 6 months of 1969 the ratio exceeded last year's average but has been slightly below since midyear, although still well above any other recent year. It will likely stay lower this fall but rise again in the winter and spring. While there are exceptions, most of the increase in the ratio during the past several years has resulted from rising cattle prices.

Cow Slaughter Larger

Cow slaughter, (estimated commercial) in the first 8 months this year was about 3 percent larger than a year ago. Although range conditions on September 1 averaged below a year earlier, the total feed situation is relatively favorable. Thus, it is unlikely that cattlemen will significantly exceed last year's culling rate due to lack of feed. But with another small increase in the cow herd, total movement to slaughter may slightly exceed last year.

Although slaughter may be up slightly, some further expansion in the breeding herd is anticipated since feeder cattle prices in 1969 have favored expansion. An increased number of beef cows will probably more than offset some further decline in dairy herds.

Utility cow prices at Chicago,
1967-69

Month	1967	1968	1969
	Dollars per 100 pounds		
Jan.	16.98	16.35	18.20
Feb.	17.92	17.98	19.02
Mar.	18.00	19.09	20.43
Apr.	17.74	19.88	20.70
May	18.51	19.58	21.73
June	18.89	19.61	22.15
July	18.37	18.88	21.86
Aug.	17.79	19.04	21.18
Sept.	17.44	18.49	20.82
Oct.	16.68	18.13	
Nov.	15.89	16.98	
Dec.	16.09	17.36	
Av.	17.52	18.45	

Cow prices, like those of other classes of beef, continued above a year earlier this past summer. Utility cows at Chicago averaged \$21.25 per 100 pounds during July-September--up \$2.50. In late September prices averaged near \$20.50 and are expected to decline seasonally this fall. But the drop probably will be small. Prospects for smaller supplies of pork this fall than last will bolster cow prices; hogs are also an important source of processing meat.

Calf Slaughter Continues Down

Calf slaughter during January-August was 10 percent below year-earlier levels and is expected to continue reduced the rest of 1969. A smaller dairy calf crop and strong demand for feeder cattle are the major factors.

Slaughter calf prices have risen sharply. Choice grade vealers at South St. Paul averaged \$38.75 per 100 pounds through September--\$4.70 above a year ago. In September these calves averaged \$39.80, about \$6.00 above a year earlier. Prices this fall are expected to continue well above a year earlier with only a small seasonal downturn. With prospects for continued sharp declines in supply next year, prices are likely to remain strong in relation to prices of other meat animals.

SHEEP AND LAMBS

Slaughter Down, Prices Up

Commercial sheep and lamb slaughter totaled 5.4 million head during the first 6 months of this year, 9 percent below January-June 1968. Declines were sharpest in July-September--down about 12 percent. Although sheepmen are probably withholding more ewe lambs this year, part of the sharp decline in slaughter in late summer apparently resulted from some delay in marketings because of very favorable range conditions in some lamb producing areas.

Lamb prices have been sharply higher this year, reflecting the reduced slaught-

er rates and the strong consumer demand for red meats. Choice grade slaughter lambs averaged \$28.90 per 100 pounds for the first 9 months this year. This was \$3 above a year earlier and \$6 higher than in 1967. Prices strengthened through April, but have been weaker since. In late September, lamb prices in San Angelo were averaging around \$28, up \$2.50 from a year earlier.

Lamb prices at San Angelo, 1968-69

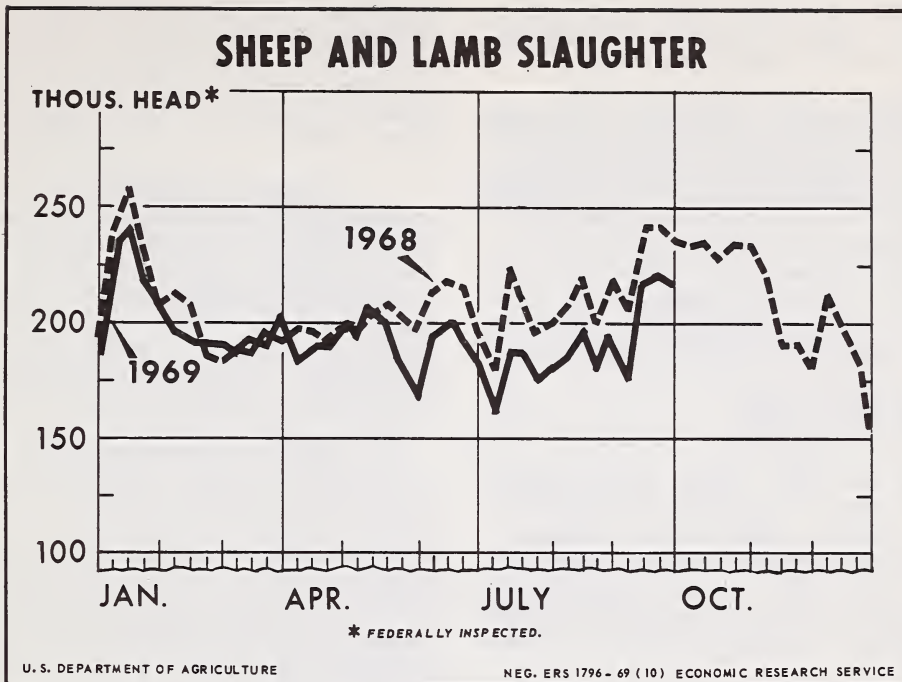
Month	: Ch. slaughter :		Choice feeder	
	lambs		lambs	
	: 1968 :	: 1969 :	: 1968 :	: 1969
	: Dollars per 100 pounds			
Jan.	: 22.94	26.56	22.35	26.12
Feb.	: 24.19	28.00	23.75	27.62
Mar.	: 26.88	30.69	24.81	30.69
Apr.	: 29.13	31.05	27.50	29.55
May	: 27.40	29.44	24.30	26.88
June	: 26.13	29.00	22.88	25.81
July	: 25.25	29.05	22.90	26.57
Aug.	: 23.81	28.19	22.88	26.56
Sept.	: 25.38	28.00	23.81	29.00
Oct.	: 25.75		24.30	
Nov.	: 26.31		24.75	
Dec.	: 25.33		25.58	
Av.	: 25.71		24.15	

Fall And Winter Slaughter To Continue Lower

With a 6 percent smaller lamb crop this year, lamb slaughter is expected to continue generally below year-earlier levels during the balance of 1969 and into 1970. Also, the apparent withholding of more ewe lambs this year will tend to reduce the supply of slaughter lambs.

The supply of feeder lambs has fallen to a new low this fall. Placements of lambs on feed will be lower this fall, and slaughter lamb supplies will continue well below a year earlier through the winter.

Last fall and early winter, lamb prices held fairly stable but averaged a



bit above the late-summer level. Because fed lamb supplies probably will be well below a year earlier through the fall and winter, and the general level of meat prices is up, lamb prices will continue above.

Slaughter Weights Up

So far in 1969 slaughter weights of sheep and lambs have continued the uptrend of the past several years, averaging 2 percent above a year earlier. However, summer slaughter weights were about like 1968. A seasonal rise is likely in the coming months as fed lambs become an increasing proportion of slaughter supplies.

In the past, some lamb feeders have delayed marketing lambs to such an extent that the supply of heavy lambs has become excessive. This resulted in severe price discounts on such lambs and had a depressing effect on prices of all lambs. With a favorable market situation and higher feed-price ratios, lamb feeders may be tempted to hold lambs beyond generally desirable market weights. However, while

discounts are generally less severe when slaughter supplies are limited, substantial overfeeding could result in sharp discounts on some lambs.

Further Slowdown In Liquidation

The sharp decline in slaughter this year suggests further slowdown in rate of liquidation in the number of sheep and lambs on farms. For example, during 1967 stock sheep numbers declined nearly 1.6 million head or 8 percent. In 1968 numbers dropped about 920,000 head or 5 percent. This year, the reduction likely will be smaller than in 1968.

The sharp decline in slaughter in the summer, down 12 percent, indicates producers in some sections of the country are probably withholding more ewe lambs for addition to breeding herds than last year. The Mountain States usually provide the bulk of market lambs during the summer. Although the lamb crop in these 8 States was down 4 percent, their summer slaughter volume was down much more.

Slaughter rates likely would have been higher if a larger proportion of the ewe lamb crop was not being held back.

Some further decline in the sheep and lamb inventory during 1969 is likely even though producers in some areas are probably increasing the number of breeding ewes. For the sheep and lamb inventory to remain stable this year, fourth quarter slaughter would have to be down more than 25 percent. Although slaughter was down 12 percent in the summer, this much of a decline in October-December is unlikely.

Slaughter-Feeder Price Relationship Changed

In the past, feeder lamb prices have occasionally exceeded the price of slaughter lambs. When this has happened it usually has occurred in late summer or fall. At this time of year slaughter lamb prices are near their seasonal low because large numbers of lambs are coming off summer grass.

During the past 3 years slaughter lamb prices have consistently been above feeder lambs. This year, however, with reduced supplies of both slaughter and feeder lambs, the demand for feeders pushed the feeder price significantly above slaughter lamb prices for the first time since 1966.

Since early August, Choice grade slaughter lambs have been near \$28 per 100 pounds in San Angelo. Choice grade feeder lambs were selling near \$26 in early August. However, in contrast to the steady slaughter market, feeder lambs advanced to \$29.25 by mid-September--\$1.25 above slaughter lambs and \$5.75 above a year earlier. The feeder market likely will continue well above a year ago, but premiums over slaughter lambs may disappear by late fall or early winter.

FOREIGN TRADE IN MEATS

In the first 8 months this year, meat imports totaled 1,478 million pounds (carcass weight equivalent), up 9 percent. A 14-percent increase in beef and veal imports to a total of 1,098 million pounds

accounted for most of the increase. Lamb imports were 27.8 million pounds in January-August, more than 2-1/2 times as much as a year earlier. Imports of mutton and goat were almost a fourth smaller, and pork imports were down 2 percent.

Imports of each major type of meat, except pork, were larger in August than a year earlier. Imports of 206 million pounds of beef and veal (carcass weight equivalent) in August were up 34 percent. Imports of lamb--4 million pounds--were more than 3 times as large as in August last year. Mutton and goat imports totaled 18.7 million pounds, up 57 percent.

Meat exports have been running considerably larger than last year, mainly because of larger pork exports. In the first 8 months, meat exports totaled 131 million pounds (carcass weight equivalent), more than twice as much as a year earlier. Pork exports this year have accounted for nearly 80 percent of total red meat exports and have been almost 3 times as large as a year earlier.

Pork Exports To Japan Increase Sharply

The bulk of the increase in pork exports has been going to Japan. As in the United States, incomes in Japan have been rising, lending unusual strength to consumer demand for meat. Meat production in Japan has always been small, and has not kept pace with the increasing demand. Retail prices therefore have risen substantially. Imports are closely controlled by the Japanese government but pork import quotas have been increased sharply in an effort to satisfy consumer demand.

The United States has supplied most of the pork imported by Japan. And in the first 8 months of 1969, our pork exports to Japan totaled 33.4 million pounds (product weight), substantially above the volume of 7.2 million pounds in January-August last year. Exports to Japan were more than one-third of U.S. pork exports in the first 8 months.

Pork prices are continuing high in Japan, and with further increases recently

in Japan's pork import quotas, their purchases from us are expected to continue large the rest of this year.

Meat Imports
Subject To Quota

Public Law 88-482, enacted in August 1964, provides that if yearly imports of certain meats--primarily beef and mutton--are estimated to equal or exceed 110 percent of an adjusted base quota, the President is required to invoke a quota on imports of these meats. The adjusted base quota for 1969 is 988.0 million pounds (product weight). The amount of estimated imports which would trigger imposition of quotas is 110 percent of

the adjusted base quota, or 1,086.8 million pounds.

The fourth quarterly estimate of 1969 total imports of meat subject to restriction by quota, announced on October 1, remained at 1,035 million pounds, unchanged from the two previous estimates.

USDA MEAT PURCHASES

The Department has purchased 29.5 million pounds of ground beef at a cost of \$17.6 million under a program announced in late July. The beef is being purchased with funds provided under Section 6 of the National School Lunch Act. The product is from animals slaughtered and processed in the United States.

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:	:
:	:
:	The next issue of the Livestock and Meat Situation
:	is scheduled to be available November 19, 1969.
:	:
:	:
:	The summary is scheduled to be released to the
:	press immediately after the Outlook and Situation Board
:	meeting November 13, 1969.
:	:
:	:

Table 4.--Meat subject to U.S. import quota restriction: Product weight of imports by months, average 1959-63, 1964-69

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1959-63 average	47.3	49.6	57.5	54.3	48.5	58.6	67.1	84.1	76.1	61.6	56.1	61.4	722.2
1964	87.2	44.9	68.9	61.4	51.1	98.1	43.7	79.5	49.6	46.4	55.7	53.4	739.9
1965	28.2	34.5	68.7	32.4	52.3	42.1	58.5	59.9	62.2	64.4	57.3	53.7	614.2
1966	51.4	60.3	49.4	63.3	52.0	100.2	61.4	87.1	91.5	79.7	61.1	66.0	823.4
1967	77.4	58.5	61.9	58.8	51.5	69.6	88.7	92.2	89.8	91.8	82.3	72.4	894.9
1968	80.7	72.6	64.1	78.3	56.1	105.0	86.0	108.6	115.5	102.1	95.8	35.6	1,000.4
1969	41.9	50.4	136.1	90.0	80.5	85.7	107.1	141.8					

Table 5.--U.S. meat imports and exports and percentage comparisons (carcass weight), 1968 and 1969

Month	Imports											
	Beef and veal			Lamb, Mutton and goat			Pork			Total meat		
	1968	1969	Change	1968	1969	Change	1968	1969	Change	1968	1969	Change
	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.
January	119.6	70.1	-41	13.0	1.1	-91	34.8	12.5	-64	167.4	83.7	-50
February	107.0	80.1	-25	14.4	5.5	-61	34.7	27.8	-20	156.1	113.4	-27
March	93.0	191.0	+105	14.7	20.5	+40	37.2	50.7	+36	144.9	262.2	+81
April	114.0	135.2	+19	13.1	14.8	+14	35.2	42.5	+21	162.3	192.6	+19
May	95.1	118.1	+24	8.7	15.4	+76	36.5	42.3	+16	140.3	175.7	+25
June	142.9	134.3	-6	21.8	10.1	-54	36.8	35.6	-3	201.5	180.1	-11
July	139.3	162.7	+17	10.0	13.5	+36	35.3	38.0	+8	184.6	214.2	+16
August	153.3	206.1	+34	13.1	22.7	+73	30.3	27.1	-10	196.7	255.9	+30
September	175.2			12.4			38.5			226.1		
October	151.7			10.3			30.4			192.4		
November	147.5			11.9			33.3			192.7		
December	79.4			3.5			33.1			116.0		
Total	1,518.0			146.9			416.1			2,081.0		
	Exports											
	Beef and veal			Lamb and mutton			Pork			Total meat		
	1968	1969	Change	1968	1969	Change	1968	1969	Change	1968	1969	Change
	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.	Mil. lb.	Mil. lb.	Pct.
January	3.5	2.8	-20	0.2	0.2	0	3.7	14.0	+281	7.4	17.0	+130
February	3.2	2.8	-13	.2	.3	+55	3.4	16.1	+376	6.8	19.2	+182
March	3.1	3.9	+23	.2	.3	+65	3.2	11.7	+262	6.5	15.9	+142
April	2.9	3.1	+5	.3	.2	-34	3.2	10.7	+238	6.4	14.1	+117
May	3.4	3.8	+12	.2	.2	+5	2.7	23.3	+762	6.3	27.3	+333
June	2.8	2.8	-0.7	.3	.1	-63	3.1	13.1	+323	6.2	15.9	+159
July	3.0	2.9	-.9	.1	.2	+87	4.7	8.2	+74	7.8	11.4	+45
August	3.3	3.2	-3	.2	.2	+12	11.2	6.6	-41	14.7	10.0	-32
September	3.0			.2			11.3			14.5		
October	3.0			.2			13.9			17.1		
November	3.8			.5			18.3			22.6		
December	3.2			.2			14.6			18.0		
Total	38.2			2.8			93.3			134.3		

OUR BEEF PRODUCING POTENTIAL

By

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Beef and veal production has increased nearly 50 percent since 1954. Cattle numbers, however, have risen only about 15 percent and the total number of cows less than 3 percent. Such changes taken at face value might suggest that the industry is "out of balance." This has led some observers to believe cattlemen are reducing output potential for the future to maintain current production, and that this will lead to smaller output in coming years.

However, a closer look at developments in the cattle industry, both beef and dairy, during the past 15 years indicates that current practices do not point to reductions in beef supplies in the future. Structural changes within the cattle industry and changes in production practices in the past decade and a half have been largely responsible for changes in the breeding herd and beef output. Those changes, of course, reflect adjustments to the growing demand for beef, primarily fed beef, and increased efficiencies in milk production.

The most significant changes in the industry include:

(a) The changing makeup of the cattle inventory, primarily the cow herd--more beef, fewer dairy.

(b) The growth in feedlot finishing of cattle.

(c) The movement of cattle into feedlots and then to slaughter at younger ages.

Beef Up--Veal Down

In 1968, the total number of cattle and calves slaughtered was up less than 5 percent from 15 years earlier. The pounds of beef and veal produced, however, totaled 21.6 billion--up 7 billion or about 50 percent. All of the increase was in beef; veal production declined sharply.

These opposite trends in beef and veal production reflect the structural changes of the industry. The increase in beef output resulted largely from expansion of the beef cattle herd and the increase in grain feeding of cattle. Reduced veal production reflected the decline in the dairy herd and increased demand for feeder cattle.

Veal production totaled 735 million pounds in 1968, less than half of the 1954 total. And its share of total beef and veal output dropped to only 3 percent last year from 11 percent in 1954. The number of calves slaughtered in 1968 totaled 5.6 million head, down more than 58 percent from 1954. This decline was in response largely to the 40 percent reduction in dairy cow numbers during this period, and the increased demand for cattle for feedlots. The calf crop from dairy cows was estimated at 12.8 million head last year compared with 20.9 million in 1954. In 1954 calf slaughter amounted to 63 percent of the dairy calf crop but in 1968 only 44 percent. These changes in calf slaughter indicate a larger proportion of dairy calves are being grown out for beef production.

More Cattle Cause Rise in Beef Output; Weights and Yields Secondary

Beef output in 1968 totaled 21 billion pounds--up almost 8 billion pounds or 61 percent from 1954. About two-thirds of this increase was due to a 10 million head rise in the number of cattle slaughtered (excluding calves). The increase in the number slaughtered roughly paralleled an 11 million head growth in the number of beef cows and the consequent increase in beef calves during this period.

The rest of the increase, or approximately 35 percent, was due primarily to heavier average weights and higher yield of cattle slaughtered. For example, the

live weight of cattle slaughtered commercially in 1954 averaged 926 pounds, yielding 55 percent of dressed beef, compared with 1,014 pounds yielding 59 percent in 1968. This weight increase was brought about by the rapid expansion of cattle feeding and the resulting increase in its proportion of total slaughter. In the past 15 years, production of fed beef has nearly tripled, rising from approximately 40 percent of total beef output in 1954 to over 70 percent in 1968.

More And Younger Cattle The Trend In Feedlots

The response to the increased demand for fed beef was made possible by gains in beef calf production, and by the rising proportion of cattle moving through feedlots. In 1968, fed cattle marketings totaled 23 million head, as compared with only 11 million head in 1955. The beef calf crop in 1968 was about 10 million head larger than 15 years earlier. Thus, around 75-80 percent of the increase in fed marketings between 1954 and 1968 was probably accounted for by the increase in the size of the beef calf crop, while 20-25 percent came from moving through feedlots a larger proportion of cattle available for feeding.

A further factor in the rate of growth of beef production in recent years has been the movement of feeder cattle into feedlots and then to slaughter at a younger age. The increase in beef cows has been accompanied by increases in inventories of calves, and of steers and heifers over 1 year of age. Up to 1964, the increase in steers and heifers over 1 year of age was about the same as the increase in beef cows. Since 1964, however, the rate of increase has differed substantially. For example, between January 1, 1964 and 1969, the number of beef cows rose 3.3 million head. But steers and heifers over 1 year of age increased less than 900,000 head. Thus, beef output has been accelerated by gradually moving younger animals into feedlots each year. Also, the inventory of older cattle is smaller than it used to

be. Older cattle were marketed for slaughter at widely different ages, depending on price outlook and feed supplies. This flexibility in marketing now is largely gone. Cattle marketings are more closely related to the supply of young feeder cattle. This trend enables cattlemen to expand breeding herds on the forage supplies that are released by feeders being taken off the range at a younger age.

Beef Breeding Herd Key To Output Potential

Over the next several years, prospects include a continued rise in beef production, although the rate of increase likely will slow, particularly for fed beef. A rapidly expanding feeding industry will eventually utilize practically all steers and heifers suitable for feeding (except breeding herd replacements). For example, in the first half of 1969 a 5 percent increase in fed cattle marketings about offset a 30 percent decline in nonfed steer and heifer slaughter. As a result, fed cattle slaughter represented about 90 percent of all steer and heifer slaughter this year compared with 85 percent last year.

Further declines in veal output will occur as the dairy herd continues to shrink. However, the rate of liquidation of dairy cows is likely to slow substantially during the 1970's. Also, increasing pressures for feeder cattle will tend to continue drawing dairy calves from the traditional vealer route.

Cattle slaughter will eventually consist mainly of fed cattle and old cows with a continued decline in veal slaughter and further expansion of the feeding industry, as a result of moving a greater proportion of all cattle through feedlots at a younger age. At this point, which may be reached in the 1970's, further increases in beef output will be limited largely to expansion in the beef breeding herd and improved production efficiencies.

Although beef production can be increased by feeding cattle to heavier weights it is an unlikely prospect for the next few years. The increasingly

competitive nature of the cattle feeding business will likely discourage this costly practice, barring unexpected escalation in feed-price ratios or major changes in breeding practices.

On balance, there is a sufficient supply of young beef heifers available for replenishing and adding to the breeding herd. Traditionally, higher cattle prices have resulted in herd expansion. They likely will continue to do so.

* * * * *

Selected data for cattle and calves and beef and
veal production, 1954, 1968 and 1969

Item	Unit	1954	1969	Percent of 1954
January 1 Inventory				
All cattle and calves	Thous. hd.	95,679	109,661	114.6
All dairy cattle	do.	36,161	21,610	59.8
Dairy cows	do.	23,896	14,123	51.9
All beef cattle	do.	59,518	88,051	147.9
Beef cows	do.	25,050	36,097	144.1
Beef calves	do.	17,978	27,920	155.3
Beef steers and heifers	do.	14,594	22,216	151.6
All cows	do.	48,946	50,220	102.6
		1954	1968	Percent of 1954
Annual Production				
Total cattle and calf slaughter	Thous. lbs.	39,159	41,024	104.8
Cattle slaughter	do.	25,889	35,413	136.8
Calf slaughter	do.	13,270	5,611	42.3
Cow slaughter	do.	8,800	6,850	77.8
Steer and heifer slaughter	do.	16,440	27,655	168.2
Fed cattle marketings	do.	10,200	23,304	228.5
Beef and veal production	Mil. lb.	14,610	21,577	147.7
Beef production	do.	12,963	20,842	160.8
Veal production	do.	1,647	735	44.6
Fed beef production	do.	5,319	14,909	280.3
Average Liveweight of cattle slaughtered	Pounds	922	1,012	109.8
Average dressed weight of cattle slaughtered	do.	502	590	117.1
Ratios				
Dressing percentage	Percent	54.3	58.2	
Fed cattle slaughter/cattle slaughter	do.	39.4	65.8	
Fed cattle slaughter/steer and heifer slaughter	do.	62.0	84.3	
Beef and veal production/ total cow No.'s	do.	29.8	42.9	

Table 6. --Average retail price of specified meat cuts, per pound, by months, 1966 to date

Year and Item	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.	Ct.
Beef												
Porterhouse steak												
1966	135.0	135.0	137.9	138.9	135.8	136.7	137.7	136.6	137.8	135.8	132.6	134.3
1967	133.0	133.3	133.6	131.8	131.1	136.8	137.6	137.9	141.4	138.5	138.3	139.0
1968	138.9	139.9	139.7	139.0	141.7	142.6	142.3	145.3	145.6	144.9	143.8	142.9
1969	146.3	145.2	145.2	149.0	153.4	163.0	166.0	162.6				
Round steak												
1966	108.6	111.8	113.9	114.6	110.5	110.8	109.0	110.6	109.5	111.0	109.3	110.3
1967	108.1	109.5	108.5	107.6	107.0	111.0	109.5	109.9	112.5	112.6	113.5	113.8
1968	113.2	114.3	113.5	111.8	114.7	113.5	113.8	115.2	115.3	115.1	116.4	114.5
1969	119.1	119.2	119.0	123.7	126.4	133.5	135.0	132.3				
Rib roast												
1966	93.2	93.2	93.9	94.7	94.5	93.3	93.0	92.8	93.1	92.6	91.0	92.8
1967	93.4	92.7	91.3	91.5	91.5	93.2	93.9	94.3	96.4	96.6	95.9	97.2
1968	98.2	97.1	97.3	97.8	97.3	98.2	99.0	99.1	99.5	100.2	100.5	101.5
1969	103.7	102.3	101.2	104.5	108.0	115.0	117.4	114.6				
Rump roast												
1966	110.5	112.2	114.1	114.4	111.3	111.0	109.8	110.7	110.2	111.2	109.9	110.6
1967	109.3	110.3	109.1	108.0	107.6	111.0	110.0	111.4	112.3	112.4	113.2	113.1
1968	113.8	114.0	113.2	112.5	114.2	113.0	113.5	114.1	115.3	114.4	115.3	114.0
1969	117.3	117.8	118.2	121.5	123.5	129.5	131.5	129.8				
Chuck roast												
1966	60.6	62.5	64.3	65.3	63.7	61.3	61.0	61.0	61.8	62.2	60.3	61.8
1967	60.0	61.1	60.9	59.8	59.3	60.3	60.5	61.4	62.1	63.1	62.8	62.4
1968	62.4	63.1	63.4	63.8	63.0	62.7	63.6	64.0	63.5	64.3	64.5	63.8
1969	65.0	65.6	65.7	68.6	69.9	73.7	75.4	73.9				
Hamburger												
1966	51.3	52.4	54.3	55.4	55.6	54.9	54.3	54.3	54.7	54.8	54.5	54.4
1967	54.1	54.4	54.3	53.9	53.9	54.2	54.6	54.9	55.2	55.6	55.2	55.1
1968	55.0	55.1	55.1	55.4	55.3	55.8	55.9	56.7	56.9	57.2	57.3	57.3
1969	57.6	57.8	58.0	59.7	61.2	64.4	65.2	65.6				
Veal cutlet												
1966	147.4	152.5	153.8	155.3	154.5	155.5	156.2	156.0	155.5	155.7	155.6	155.9
1967	156.6	158.7	159.7	158.7	159.4	161.9	166.2	167.0	168.0	168.5	168.5	168.5
1968	170.5	171.5	172.9	175.0	174.9	176.8	177.3	176.9	177.9	177.0	178.7	177.4
1969	183.0	184.6	186.7	189.9	192.9	199.6	201.3	202.2				
Pork chops												
1966	110.9	112.4	109.7	104.4	100.8	107.1	108.1	108.2	107.4	105.7	103.3	97.0
1967	99.1	97.8	96.0	93.1	93.9	105.1	105.1	108.3	105.9	103.6	100.3	96.5
1968	98.6	100.8	103.2	101.4	101.0	100.6	106.5	106.8	106.4	106.1	100.9	102.1
1969	104.0	105.5	104.7	105.6	106.0	116.6	118.1	117.4				
Roast, loin												
1966	80.0	81.5	80.8	76.7	74.3	77.0	77.5	77.5	77.4	77.3	75.0	71.5
1967	71.8	70.7	69.8	68.0	67.5	74.8	74.7	76.5	75.6	73.8	71.7	69.2
1968	70.1	71.3	73.1	72.0	71.6	72.0	74.6	75.9	75.1	75.3	72.9	72.7
1969	73.4	74.4	73.7	74.6	75.5	81.3	82.6	82.2				
Bacon, sliced												
1966	100.8	102.5	99.8	93.6	92.7	93.9	96.0	99.6	100.2	96.5	86.5	83.2
1967	82.3	81.7	81.2	80.6	79.9	89.9	90.1	88.7	85.9	83.6	80.8	79.8
1968	79.3	80.2	81.0	80.7	83.2	82.8	81.8	82.5	82.1	82.1	81.0	80.1
1969	79.5	80.3	80.8	82.9	83.6	87.7	89.6	90.9				
Ham, whole												
1966	83.3	82.7	82.3	74.6	72.9	72.0	71.9	71.6	73.2	72.2	71.4	73.0
1967	73.2	71.7	71.0	69.4	67.1	70.2	68.1	69.0	69.8	69.3	68.3	70.0
1968	69.6	69.0	68.5	68.3	67.7	68.3	67.6	69.2	69.7	69.7	69.3	69.8
1969	71.1	69.8	70.2	67.3	69.1	70.9	70.9	72.7				
Lamb chops												
1966	151.7	157.1	156.6	155.4	154.7	155.4	154.5	154.5	154.4	154.4	153.6	152.7
1967	153.3	151.2	150.2	150.9	153.6	160.1	159.9	160.3	161.9	159.9	159.3	158.9
1968	160.0	161.3	162.1	162.7	165.0	165.9	167.1	166.6	166.0	168.2	167.0	167.1
1969	170.3	171.7	172.9	174.1	177.5	181.3	183.5	181.2				

Data from the Bureau of Labor Statistics.

Supply and distribution of meat, by months, April 1969 to date

Meat and period	Commercially produced							
	Supply			Distribution				
	Produc- tion	Begin- ning	Imports	Exports and shipments	Ending stocks	Military	Civilian consumption	
	1/ :	stocks :	:	:	:	:	Total :	Per person 2/ :
	----- Million pounds -----				----- Pounds -----			
Beef:								
April	1,665	275	131	7	267	54	1,743	8.8
May	1,684	267	116	9	246	50	1,762	8.9
June	1,666	246	133	8	231	51	1,755	8.8
2nd quarter	5,015	275	380	24	231	155	5,260	26.5
July	1,765	231	162	5	239			
August	1,734	239	205					
September								
3rd quarter								
Veal:								
April	52	7	4	1	8	3	51	.3
May	50	8	2	1	7	4	48	.2
June	50	7	2	3/	7	3	49	.2
2nd quarter	152	7	8	2	7	10	148	.7
July	53	7	1	1	7			
August	52	7	1					
September								
3rd quarter								
Lamb and mutton:								
April	46	12	15	1	17	3/	55	.3
May	45	17	16	1	16	1	60	.3
June	42	16	10	3/	13	1	54	.3
2nd quarter	133	12	41	2	13	2	169	.9
July	42	13	13	3/	12			
August	41	12	23					
September								
3rd quarter								
Pork:								
April	1,145	270	43	20	324	18	1,096	5.5
May	1,029	324	42	33	299	20	1,043	5.2
June	964	299	35	19	246	25	1,008	5.1
2nd quarter	3,138	270	120	72	246	63	3,147	15.8
July	971	246	38	12	196			
August	944	196	27					
September								
3rd quarter								
All meat:								
April	2,908	564	193	29	616	75	2,945	14.9
May	2,808	616	176	44	568	75	2,913	14.6
June	2,722	568	180	27	497	80	2,866	14.4
2nd quarter	8,438	564	549	100	497	230	8,724	43.9
July	2,831	497	214	18	454			
August	2,771	454	256					
September								
3rd quarter								

1/ Excludes production from farm slaughter. 2/ Derived from estimates by months of population eating out of civilian food supplies. 3/ Less than 500,000 pounds.

Selected price statistics for meat animals and meat

Item	Unit	1968		1969		
		July	August	June	July	August
CATTLE AND CALVES:						
Beef steers, slaughter, Chicago	Dollars per:					
Prime.....	100 pounds:	28.55	29.22	35.46	32.88	32.53
Choice.....	do.	27.65	28.01	34.22	31.49	30.94
Good.....	do.	26.41	26.50	31.80	29.86	28.94
Standard.....	do.	24.63	24.75	29.39	28.09	26.66
Utility.....	do.	23.08	23.03	---	---	25.50
All grades.....	do.	27.56	27.92	34.20	31.57	30.97
Omaha, all grades.....	do.	27.09	27.33	33.50	31.01	30.07
Cows, Chicago						
Commercial.....	do.	17.76	17.88	21.92	21.64	20.93
Utility.....	do.	18.88	19.04	22.15	21.86	21.18
Cutter.....	do.	18.04	18.42	20.88	20.73	20.16
Canner.....	do.	16.94	17.38	19.70	19.44	18.88
Vealers, Choice, S. St. Paul.....	do.	33.76	33.85	40.00	38.42	37.90
Stocker and feeder steers, Kansas City 1/.....	do.	26.54	25.84	33.17	29.87	29.20
Price received by farmers						
Beef cattle.....	do.	24.00	23.90	29.60	28.00	27.00
Cows.....	do.	17.70	17.40	20.80	20.10	20.00
Steers and heifers.....	do.	25.80	25.80	32.20	30.30	29.00
Calves.....	do.	28.00	27.60	33.60	32.20	31.40
Beef steer-corn price ratio 2/.....		25.1	26.3	26.3	24.8	24.2
HOGS:						
Barrows and gilts, U.S. No. 1, and 2 Chicago						
180-200 pounds.....	do.	---	---	25.66	26.43	26.75
200-220 pounds.....	do.	22.80	21.16	26.84	27.32	27.82
220-240 pounds.....	do.	22.36	21.14	26.59	27.13	27.75
Barrows and gilts, 8 markets 3/.....	do.	21.48	20.08	25.16	26.05	26.91
Sows, 8 markets 3/.....	do.	17.58	17.14	21.44	22.58	23.99
Price received by farmers.....	do.	20.80	19.20	23.90	24.90	26.00
Hog-corn price ratio 4/.....						
Chicago, barrows and gilts.....		19.8	19.3	19.6	20.6	21.2
Price received by farmers, all hogs.....		20.0	19.5	20.3	21.1	22.0
SHEEP AND LAMBS:						
Sheep	Dollars per:					
Slaughter ewes, Good, San Angelo.....	100 pounds:	8.25	8.12	8.08	9.00	10.38
Price received by farmers.....	do.	6.37	6.25	7.71	7.89	8.16
Lambs						
Slaughter, Choice, San Angelo.....	do.	25.25	23.81	29.00	29.05	28.19
Feeder, Choice, San Angelo.....	do.	22.90	22.88	25.81	26.57	26.56
Price received by farmers.....	do.	25.00	23.90	27.80	28.00	27.30
ALL MEAT ANIMALS:						
Index number price received by farmers						
(1910-14=100).....		364	353	437	426	422
MEAT:						
Wholesale, Chicago, Carlot,	Dollars per:					
Steer beef carcass, Choice, 600-700.....	100 pounds:	44.58	44.61	53.94	50.68	48.34
Heifer beef, Choice, 500-600 pounds.....	do.	43.39	43.38	53.15	49.61	46.96
Cow beef, Canner and Cutter.....	do.	38.31	38.28	43.82	43.77	44.28
Lamb carcass, Choice, 45-55 pounds.....	do.	56.38	54.08	62.34	61.47	60.52
Fresh pork loins, 8-14 pounds.....	do.	52.80	48.25	57.11	58.70	57.25
Retail, United States average	Cents					
Beef, Choice grade.....	per pound	87.2	88.1	100.0	101.7	100.1
Pork, retail cuts and sausage.....	do.	67.3	68.4	72.7	74.1	75.0
Lamb, Choice grade.....	do.	95.3	94.4	103.0	105.5	104.2
Index number all meats (BLS)						
Wholesale (1957-59=100).....		113.2	109.3	128.5	128.9	124.8
Retail (1957-59=100).....		116.6	117.9	129.5	131.7	131.9
Beef and veal.....		117.7	118.8	134.6	136.8	135.4
Pork.....		116.3	117.8	126.1	129.0	130.2

1/ Average all weights and grades.

2/ Bushels of No. 3 Yellow Corn equivalent in value to 100 pounds of slaughter steers sold out of first hands, Chicago, all grades.

3/ Chicago, St. Louis N.S.Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis.

4/ Number bushels of corn equivalent in value to 100 pounds of live hogs.

Selected marketing, slaughter and stocks statistics for meat animals and meat

Item	Unit	1968		1969		
		July	August	June	July	August
Meat animal marketings						
Index number (1957-59=100)		123.7	130.2	115.4	119.9	126.9
6-State Cattle on Feed Report						
Number on feed	1,000	5,580	5,300	6,522	6,513	6,174
Placed on feed	head	890	1,219	1,200	870	1,169
Marketings	do.	1,170	1,135	1,209	1,209	1,220
Slaughter under Federal inspection						
Number slaughtered						
Cattle	do.	2,609	2,648	2,435	2,611	2,608
Steers	do.	1,357	1,340	1,271	1,360	1,304
Heifers	do.	696	736	629	674	735
Cows	do.	509	527	489	527	519
Bulls and stags	do.	47	45	46	50	50
Calves	do.	288	311	248	282	271
Sheep and lambs	do.	928	930	810	822	797
Hogs	do.	5,454	5,942	5,591	5,739	5,708
Percentage sows	Percent	9	7	8	8	6
Average live weight per head						
Cattle	Pounds	1,019	1,008	1,026	1,013	1,006
Calves	do.	205	208	223	206	205
Sheep and lambs	do.	99	100	100	99	100
Hogs	do.	243	236	246	242	236
Average production						
Beef, per head	do.	599	595	604	599	592
Veal, per head	do.	115	116	126	115	114
Lamb and mutton, per head	do.	48	49	49	48	49
Pork, per head	do.	152	148	157	154	151
Pork, per 100 pounds live weight	do.	63	63	64	63	64
Lard, per head	do.	26	25	24	25	23
Lard, per 100 pounds live weight	do.	11	10	10	10	10
Total production	Million					
Beef	pounds	1,559	1,572	1,468	1,559	1,540
Veal	do.	33	36	31	32	31
Lamb and mutton	do.	45	45	40	40	38
Pork	do.	830	881	877	880	860
Lard	do.	140	146	135	141	131
Commercial slaughter 1/						
Number slaughtered	1,000					
Cattle	head	3,048	3,087	2,811	3,001	2,978
Calves	do.	415	442	341	386	374
Sheep and lambs	do.	1,010	1,012	865	878	851
Hogs	do.	6,210	6,724	6,187	6,361	6,289
Total production	Million					
Beef	pounds	1,787	1,798	1,666	1,765	1,734
Veal	do.	57	59	50	53	52
Lamb and mutton	do.	49	49	42	42	41
Pork	do.	943	996	964	971	944
Lard	do.	153	159	144	151	140
Cold storage stocks first of month						
Beef	do.	199	214	246	231	239
Veal	do.	8	8	7	7	7
Lamb and mutton	do.	12	12	16	13	12
Pork	do.	326	245	299	246	196
Total meat and meat products 2/	do.	615	548	633	556	513

1/ Federally inspected, and other commercial.2/ Includes stocks of canned meats in cooler in addition to the four meats listed.

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